



General Assembly

January Session, 2011

Amendment

LCO No. 6983

SB0098806983SD0

Offered by:
SEN. PRAGUE, 19th Dist.

To: Subst. Senate Bill No. 988

File No. 132

Cal. No. 129

**"AN ACT CONCERNING THE SOLVENCY OF THE
UNEMPLOYMENT COMPENSATION TRUST FUND."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Subsection (f) of section 31-225a of the general statutes is
4 repealed and the following is substituted in lieu thereof (*Effective*
5 *October 1, 2011*):

6 (f) (1) For each calendar year commencing with calendar year 1994
7 but prior to calendar year 2012, the administrator shall establish a fund
8 balance tax rate sufficient to maintain a balance in the Unemployment
9 Compensation Trust Fund equal to eight-tenths of one per cent of the
10 total wages paid to workers covered under this chapter by
11 contributing employers during the year ending the last preceding June
12 thirtieth. If the fund balance tax rate established by the administrator
13 results in a fund balance in excess of said per cent as of December
14 thirtieth of any year, the administrator shall, in the year next following,
15 establish a fund balance tax rate sufficient to eliminate the fund

16 balance in excess of said per cent. For each calendar year commencing
17 with calendar year 2012, the administrator shall establish a fund
18 balance tax rate sufficient to maintain a balance in the Unemployment
19 Compensation Trust Fund that results in an average high cost multiple
20 greater than or equal to 0.5. Commencing with calendar year 2013 and
21 ending with calendar year 2017, the administrator shall establish a
22 fund balance tax rate sufficient to maintain a balance in the
23 Unemployment Compensation Trust Fund that results in an average
24 high cost multiple that is increased by 0.1 from the preceding calendar
25 year. Commencing with calendar year 2018, the administrator shall
26 establish a fund balance tax rate sufficient to maintain a balance in the
27 Unemployment Compensation Trust Fund that results in an average
28 high cost multiple greater than or equal to 1.0. If the fund balance tax
29 rate established by the administrator results in a fund balance in excess
30 of said amount as of December thirtieth of any year, the administrator
31 shall, in the year next following, establish a fund balance rate sufficient
32 to eliminate the fund balance in excess of said amount. The assessment
33 levied by the administrator at any time (A) during a calendar year
34 commencing on or after January 1, 1994, but prior to January 1, 1999,
35 shall not exceed one and five-tenths per cent, (B) during a calendar
36 year commencing on or after January 1, 1999, shall not exceed one and
37 four-tenths per cent, and [(C)] shall not be calculated to result in a fund
38 balance in excess of eight-tenths of one per cent of such total wages,
39 and (C) during a calendar year commencing on or after January 1,
40 2012, shall not exceed one and four-tenths per cent and shall not be
41 calculated to result in a fund balance in excess of the amounts
42 prescribed in this subdivision.

43 (2) The average high cost multiple shall be computed as follows:
44 The result of the balance of the Unemployment Compensation Trust
45 Fund on December thirtieth immediately preceding the new rate year
46 divided by the total wages paid to workers covered under this chapter
47 by contributing employers for the twelve months ending on the
48 December thirtieth immediately preceding the new rate year shall be
49 the numerator and the average of the three highest calendar benefit

50 cost rates in (A) the last twenty years, or (B) a period including the last
51 three recessions, whichever is longer, shall be the denominator. Benefit
52 cost rates are computed as benefits paid including the state's share of
53 extended benefits but excluding reimbursable benefits as a per cent of
54 total wages in covered employment. The results rounded to the next
55 lower one decimal place will be the average high cost multiple."

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2011	31-225a(f)
-----------	-----------------	------------